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#### DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-900]

Diamond Sawblades and Parts Thereof from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2013-2014

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on diamond sawblades and parts thereof (diamond sawblades) from the People's Republic of China (the PRC). The period of review (POR) is November 1, 2013, through October 31, 2014. The Department has preliminarily determined that certain companies covered by this review made sales of subject merchandise at less than normal value. Interested parties are invited to comment on these preliminary results.

DATES: Effective Date: [INSERT DATE OF PUBLICATION IN THE FEDERAL

FOR FURTHER INFORMATION CONTACT: Yang Jin Chun or Bryan Hansen, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5760 and (202) 482-3683, respectively.

#### Scope of the Order

REGISTER].

The merchandise subject to the order is diamond sawblades and parts thereof. The diamond sawblades subject to the order are currently classifiable under subheadings 8202 to 8206 of the Harmonized Tariff Schedule of the United States (HTSUS), and may also enter

under 6804.21.00. While the HTSUS subheadings are provided for convenience and customs purposes, the written description is dispositive. A full description of the scope of the order is contained in the Preliminary Decision Memorandum.<sup>1</sup>

#### Rescission of Review in Part

We are rescinding the review in part with respect to Husqvarna (Hebei) Co., Ltd.<sup>2</sup>

<u>Preliminary Determination of No Shipments</u>

Six companies that received a separate rate in previous segments of the proceeding and are subject to this review reported that they did not have any exports of subject merchandise during the POR.<sup>3</sup> U.S. Customs and Border Protection (CBP) data for the POR corroborated the no-shipment claims of these companies.<sup>4</sup> Additionally, we requested that CBP report any contrary information.<sup>5</sup> To date, CBP has not responded to our inquiry with any contrary information and we have not received any evidence that these companies had any shipments of the subject merchandise sold to the United States during the POR.<sup>6</sup> Consistent with the Department's assessment practice in non-market economy (NME) cases regarding no shipment claims, we are completing the review with respect to these companies and will issue appropriate instructions to CBP based on the final results of the review.<sup>7</sup>

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<sup>&</sup>lt;sup>1</sup> See the Memorandum from Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, entitled "Decision Memorandum for Preliminary Results of 2013-2014 Antidumping Duty Administrative Review: Diamond Sawblades and Parts Thereof from the People's Republic of China" dated concurrently with and hereby adopted by this notice (Preliminary Decision Memorandum).

<sup>2</sup> Id. at 2-3 for more details on this rescission in part.

<sup>&</sup>lt;sup>3</sup> See the no-shipment letters dated February 23, 2015, from Danyang City Ou Di Ma Tools Co., Ltd., Danyang Tsunda Diamond Tools Co., Ltd., Hangzhou Kingburg Import & Export Co., Ltd., Qingdao Hyosung Diamond Tools Co., Ltd., Qingdao Shinhan Diamond Industrial Co., Ltd., and Shanghai Starcraft Tools Co., Ltd.

<sup>&</sup>lt;sup>4</sup> See the CBP data attached to the letter to all interested parties dated March 20, 2015.

<sup>&</sup>lt;sup>5</sup> *See* CBP message numbers 5261301, 5261302, 5261303, 5261304, 5261305, and 5261306 dated September 18, 2015, available at http://adcvd.cbp.dhs.gov/adcvdweb/.

<sup>&</sup>lt;sup>6</sup> CBP only responds to the Department's inquiry when there are records of shipments from the company in question. See, e.g., Certain Hot-Rolled Flat-Rolled Carbon Quality Steel Flat Products From Brazil: Notice of Rescission of Antidumping Duty Administrative Review, 75 FR 65453, 65454 (October 25, 2010).

<sup>&</sup>lt;sup>7</sup> See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (October 24, 2011), and the "Assessment Rates" section below.

# Preliminary Affiliation and Single Entity Determination

Based on the record evidence for these preliminary results, we find that Jiangsu Fengtai Diamond Tool Manufacture Co., Ltd., Jiangsu Fengtai Tools Co., Ltd., and Jiangsu Sawing Co., Ltd., are affiliated, pursuant to sections 771(33)(A) and (F) of the Tariff Act of 1930, as amended (the Act). Additionally, under 19 CFR 351.401(f)(1)-(2), we preliminarily find that these companies should be considered a single entity (collectively known as the Jiangsu Fengtai Single Entity).<sup>8</sup>

#### Separate Rates

The Department preliminarily determines that 24 respondents are eligible to receive separate rates in this review.<sup>9</sup>

# Separate Rates for Eligible Non-Selected Respondents

Consistent with our practice, we assigned to eligible non-selected respondents the average of the weighted-average margins calculated for the two individually examined respondents as the separate rate for the preliminary results of this review. <sup>10</sup>

#### PRC-Wide Entity

The Department's change in policy regarding conditional review of the PRC-wide entity applies to this administrative review.<sup>11</sup> Under this policy, the PRC-wide entity will not be under review unless a party specifically requests, or the Department self-initiates, a review of the entity. Because no party requested a review of the PRC-wide entity in this review, the entity is not under review and the entity's rate is not subject to change (*i.e.*, 82.05 percent).<sup>12</sup> Aside from

<sup>&</sup>lt;sup>8</sup> See Preliminary Decision Memorandum at 4-6 for more details.

<sup>&</sup>lt;sup>9</sup> *Id.*, at 7-11, for more details.

<sup>10</sup> Id.

<sup>&</sup>lt;sup>11</sup> See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings, 78 FR 65963 (November 4, 2013).

<sup>&</sup>lt;sup>12</sup> See Diamond Sawblades and Parts Thereof From the People's Republic of China; Final Results of Antidumping

the no-shipments and separate rate companies discussed above, and the company for which the review is being rescinded, the Department considers all other companies for which a review was requested (which did not file a separate rate application) to be part of the PRC-wide entity. 

Methodology

The Department conducted this review in accordance with section 751(a)(1)(B) of the Act. Export price and constructed export price were calculated in accordance with section 772 of the Act. Because the PRC is a NME within the meaning of section 771(18) of the Act, normal value was calculated in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at http://access.trade.gov and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision

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Duty Administrative Review; 2012–2013, 80 FR 32344, 32345 (June 8, 2015).

<sup>&</sup>lt;sup>13</sup> See Initiation Notice, 79 FR at 76957 ("All firms listed below that wish to qualify for separate rate status in the administrative reviews involving NME countries must complete, as appropriate, either a separate rate application or certification, as described below."). Companies that are subject to this administrative review that are considered to be part of the PRC-wide entity are Central Iron and Steel Research Institute Group, China Iron and Steel Research Institute Group, Danyang Aurui Hardware Products Co., Ltd., Danyang Dida Diamond Tools Manufacturing Co., Ltd., Electrolux Construction Products (Xiamen) Co., Ltd., Fujian Quanzhou Wanlong Stone Co., Ltd., Hebei Jikai Industrial Group Co., Ltd., Huachang Diamond Tools Manufacturing Co., Ltd., Hua Da Superabrasive Tools Technology Co., Ltd., Jiangsu Fengyu Tools Co., Ltd., Jiangyin Likn Industry Co., Ltd., Protech Diamond Tools, Pujiang Talent Diamond Tools Co., Ltd., Ouanzhou Shuangyang Diamond Tools Co., Ltd., Shanghai Deda Industry & Trading Co., Ltd., Shanghai Robtol Tool Manufacturing Co., Ltd., Shijiazhuang Global New Century Tools Co., Ltd., Sichuan Huili Tools Co., Task Tools & Abrasives, Wanli Tools Group, Wuxi Lianhua Superhard Material Tools Co., Ltd., Zhejiang Tea Import & Export Co., Ltd., Zhejiang Wanda Import and Export Co., Zhejiang Wanda Tools Group Corp., and Zhejiang Wanli Super-hard Materials Co., Ltd. Addtionally, to the extent certain merchandise from the ATM Single Entity (i.e., Advanced Technology & Materials Co., Ltd., AT&M International Trading Co., Ltd., Beijing Gang Yan Diamond Products Co., Cliff International Ltd., and HXF Saw Co., Ltd.) remains subject to the order, the ATM Single Entity is also considered to be part of the PRC-wide entity. See Preliminary Decision Memorandum at 3, 10, and 12, n. 58, for more details on our treatment of the ATM Single Entity: Certain Frozen Warmwater Shrimp From the People's Republic of China and Diamond Sawblades and Parts Thereof From the People's Republic of China: Notice of Implementation of Determinations Under Section 129 of the Uruguay Round Agreements Act and Partial Revocation of the Antidumping Duty Orders, 78 FR 18958 (March 28, 2013).

Memorandum can be accessed directly on the internet at

http://enforcement.trade.gov/frn/index.html.

# Preliminary Results of Review

The Department preliminarily determines that the following weighted-average dumping margins exist:

<u>Exporter</u>	Margin (percent)
Bosun Tools Co., Ltd.	12.20
Chengdu Huifeng Diamond Tools Co., Ltd.	12.20
Danyang Huachang Diamond Tools Manufacturing Co., Lt	td. 12.20
Danyang NYCL Tools Manufacturing Co., Ltd.	12.20
Danyang Weiwang Tools Manufacturing Co., Ltd.	12.20
Guilin Tebon Superhard Material Co., Ltd.	12.20
Hangzhou Deer King Industrial and Trading Co., Ltd.	12.20
Hong Kong Hao Xin International Group Limited	12.20
Huzhou Gu's Import & Export Co., Ltd.	12.20
Jiangsu Fengtai Single Entity <sup>14</sup>	57.10
Jiangsu Huachang Tools Manufacturing Co., Ltd.	12.20
Jiangsu Inter-China Group Corporation <sup>15</sup>	12.20
Jiangsu Youhe Tool Manufacturer Co., Ltd.	12.20

<sup>&</sup>lt;sup>14</sup> As noted above, we preliminarily treat Jiangsu Fengtai Diamond Tool Manufacture Co., Ltd., Jiangsu Fengtai Tools Co., Ltd., and Jiangsu Sawing Co., Ltd., as a single entity. *See* the Preliminary Affiliation and Single Entity Determination section above and Preliminary Decision Memorandum at 4-6 for details.

<sup>&</sup>lt;sup>15</sup> Jiangsu Inter-China Group Corporation was previously known as Zhenjiang Inter-China Import & Export Co., Ltd., a company for which we initiated this review in *Initiation Notice*, 79 FR at 76958. *See Diamond Sawblades and Parts Thereof From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2011–2012*, 78 FR 77098, 77100, n. 15 (December 20, 2013), unchanged in *Diamond Sawblades and Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2011–2012*, 79 FR 35723, 35724 n.7 (June 24, 2014).

Orient Gain International Limited	12.20
Pantos Logistics (HK) Company Limited	12.20
Qingyuan Shangtai Diamond Tools Co., Ltd.	12.20
Quanzhou Zhongzhi Diamond Tool Co. Ltd.	12.20
Rizhao Hein Saw Co., Ltd.	12.20
Saint-Gobain Abrasives (Shanghai) Co., Ltd.	12.20
Shanghai Jingquan Industrial Trade Co., Ltd.	12.20
Weihai Xiangguang Mechanical Industrial Co., Ltd.	0.75
Wuhan Wanbang Laser Diamond Tools Co.	12.20
Xiamen ZL Diamond Technology Co., Ltd.	12.20
Zhejiang Wanli Tools Group Co., Ltd.	12.20

## **Disclosure and Public Comment**

The Department intends to disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review. <sup>16</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>17</sup> Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the cases briefs are filed. 18

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed

<sup>16</sup> See 19 CFR 351.309(c). <sup>17</sup> See 19 CFR 351.309(c)(2). <sup>18</sup> See 19 CFR 351.309(d).

electronically using ACCESS. An electronically filed document must be received successfully in its entirety by the Department's ACCESS by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice.<sup>19</sup> Hearing requests should contain (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. The Department intends to issue the final results of this review, including the results of its analysis of issues raised by parties in their comments, within 120 days after the publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

# Assessment Rates

Upon issuing the final results of review, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. <sup>20</sup> If a respondent's weighted-average dumping margin is above *de minimis* (*i.e.*, 0.5 percent) in the final results of this review, we will calculate an importer-specific assessment rate on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total entered value of those sales in accordance with 19 CFR 351.212(b)(1). Specifically, the Department will apply the assessment rate calculation method adopted in *Final Modification for Reviews*. <sup>21</sup> Where an importer- (or customer-) specific *ad valorem* rate is zero or *de minimis*, we will instruct CBP to liquidate appropriate entries without regard to antidumping duties. <sup>22</sup>

For Husqvarna (Hebei) Co., Ltd., for which the review is rescinded, the antidumping duty shall be assessed at the rate equal to the cash deposit of the estimated antidumping duty required

<sup>&</sup>lt;sup>19</sup> See 19 CFR 351.310(c).

<sup>&</sup>lt;sup>20</sup> See 19 CFR 351.212(b)(1).

<sup>&</sup>lt;sup>21</sup> See Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification, 77 FR 8103 (February 14, 2012) (Final Modification for Reviews).

<sup>&</sup>lt;sup>22</sup> See 19 CFR 351.106(c)(2).

at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(2). We will instruct CBP accordingly.

Pursuant to the Department's assessment practice in NME cases, <sup>23</sup> for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, the Department will instruct CBP to liquidate such entries at the PRC-wide rate. In addition, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the PRC-wide rate. <sup>24</sup> The Department intends to issue appropriate assessment instructions directly to CBP 15 days after publication of the final results of review.

### Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) for subject merchandise exported by the companies listed above that have separate rates, the cash deposit rate will be that established in the final results of review (except, if the rate is zero or *de minimis*, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be that for the PRC-wide entity; and (4) for all non-PRC exporters of subject merchandise which

<sup>24</sup> Id.

<sup>&</sup>lt;sup>23</sup> For a full discussion of this practice, see Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (October 24, 2011).

have not received their own rate, the cash deposit rate will be the rate applicable to the PRC

exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall

remain in effect until further notice.

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19

CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior

to liquidation of the relevant entries during this POR. Failure to comply with this requirement

could result in the Department's presumption that reimbursement of antidumping duties

occurred and the subsequent assessment of doubled antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and

777(i)(1) of the Act and 19 CFR 351.213.

Dated: November 30, 2015.

Christian Marsh,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

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# Appendix

List of Topics Discussed in the Preliminary Decision Memorandum
Summary
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Surrogate Country

Fair Value Comparisons
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Recommendation
[FR Doc. 2015-30715 Filed: 12/3/2015 8:45 am; Publication Date: 12/4/2015]